



U.S. Department of Justice
United States Attorney
Western District of New York

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PRESS RELEASE

February 1, 2005

TITLE COMPANY OWNER AND EMPLOYEE CHARGED IN WIDESPREAD MORTGAGE FRAUD SCHEME

RE: UNITED STATES v. JANET FATICONE and RONALD DIPONZIO

Michael A. Battle, the United States Attorney for the Western District of New York, announced that Janet Faticone, age 40, of 705 Mackenzie Court, Webster, New York, and Ronald DiPonzio, age 63, of 990 Center Road, Greece, New York, were charged in a criminal complaint signed by the Honorable Jonathan W. Feldman with mail fraud in connection with a mortgage fraud scheme, in violation of Title 18, United States Code, Section 1341, which charges a maximum term of imprisonment of 20 years, a \$250,000 fine, or both.

Assistant U.S. Attorney Richard A. Resnick, who is handling the case, stated that Faticone, DiPonzio and Denise Strollo orchestrated a scheme to defraud various individuals seeking to obtain mortgage loans from Strollo. Strollo was a mortgage

broker operating a branch office for Professional Mortgage Group located at 1800 English Road, Suites 2 & 4, in Rochester, New York. Faticone was the owner of Pogal Title Agency, Inc. located at 16 East Main Street, Suite 260, Reynolds Arcade Building, Rochester, New York 14614. DiPonzio was an employee at Pogal Title.

The scheme involved charging Strollo's customers with false and inflated expenses. The defendants did this by falsifying the HUD1 settlement statements, which were required to list and identify the actual costs and expenses associated with a mortgage loan. For example, on or about October 29, 2004, James Washington of 65-67 Barlett Street, Rochester, New York obtained a refinance mortgage loan in the amount of \$67,500.00 from Argent Mortgage Company located in White Plains, New York. Strollo was the mortgage broker who assisted Washington in obtaining the loan. DiPonzio, on behalf of Pogal Title, represented Washington at the closing of the mortgage loan on October 29, 2004. Faticone's duties included preparing the HUD1 settlement statement.

At the closing of the mortgage loan on October 29, 2004, DiPonzio had Washington sign a HUD1 settlement statement which grossly inflated the actual costs and expenses associated with the loan. Faticone prepared this false HUD1 settlement statement. Washington was then charged these false and grossly inflated costs and expenses. Washington was unaware of what the actual costs and expenses should have been.

After the closing, a different HUD1 settlement statement listing what should have been the actual costs and expenses associated with the loan was sent to Argent Mortgage Company to trick Argent Mortgage Company into believing that the defendants only charged Washington the proper costs and expenses. Washington's name was forged on this document. Faticone also prepared this HUD1 settlement statement.

As a result of the scheme, Washington was charged excess costs and expenses in the amount of \$5,925.00, which represented the difference between the total costs listed on the two HUD1 settlement statements. The defendants, however, by sending or causing to be sent to Argent Mortgage Company the HUD1 listing what should have been the actual expenses charged to Washington, concealed from Argent Mortgage Company the amount of costs and expenses the defendants were charging Washington. The defendants then split the fraudulently received proceeds after the closing.

In addition to Washington, the defendants defrauded more than 40 other individuals using the same scheme.

The government would like anyone who received a mortgage loan in 2003 and 2004 through the services of Denise Strollo and Pogel Title Agency, Inc. to contact Postal Inspector Michelle Mann at the United States Attorney's Office at 263-6760, ext. 2278.

It should be noted that the fact that a defendant has been charged with a crime . . . is merely an accusation and the defendant is presumed innocent until and unless proven guilty.

The conviction was the culmination of an investigation by Robin Dalglish, Postal Inspector in Charge of the New York Division of the United States Postal Inspection Service.

Faticone and DiPonzio are scheduled to appear in front of Magistrate Judge Feldman on February 10, 2005 at 9:00 a.m.

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